



JUL - 7 2005

The Honorable Bill Richardson  
Governor of New Mexico  
State Capitol  
Fourth Floor  
Santa Fe, New Mexico 87501

Dear Governor Richardson:

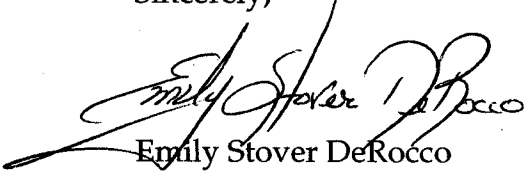
It is with pleasure that I respond to the State of New Mexico's request for an extension of a waiver of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2005, through June 30, 2007, the state submitted a request for a waiver extension. The request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and appears to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the state's waiver submission (copy enclosed).

The state requested an extension of the waiver to increase transfer authority of Local Workforce Investment Boards from the current 20 percent to 100 percent for Adult and Dislocated Worker funds. This request for funds transferability is consistent with one of the improvements that the Administration is seeking in the reauthorization of the Workforce Investment Act—the consolidation of the WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act (Employment Service) funding streams. Accordingly, the State of New Mexico is granted an extension of the waiver of the funds transfer limitation at WIA Section 133(b)(4), through June 30, 2007. The waiver allows the state to approve local area requests to transfer up to 100 percent of local area allocations between the WIA Adult and Dislocated Worker programs.

As provided for under paragraph 3 of the executed Agreement, the approved waiver is incorporated by reference into the state's WIA Grant Agreement. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local-level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily Stover DeRocco", written over a horizontal line.

Emily Stover DeRocco

Enclosure